HOUSING MARKET OUTLOOK
Kelowna CMA

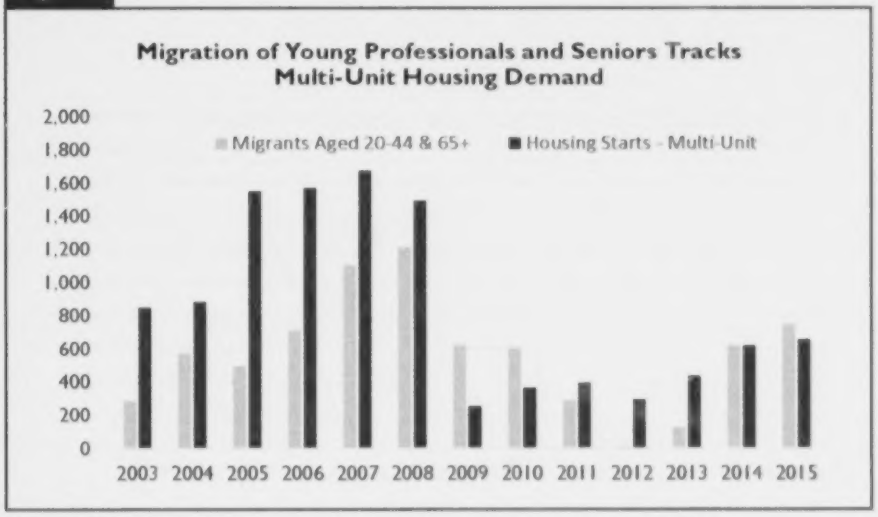
CANADA MORTGAGE AND HOUSING CORPORATION

Date Released: Spring 2016

Highlights

- An expected increase in multiple-family housing starts along with steady construction of single-detached homes will result in a rising number of total housing starts in 2016 with some leveling off in 2017.
- MLS® average prices are forecast to continue to post modest gains over the forecast period underpinned by population driven demand for homes and declining number of active listings relative to sales in the Kelowna area.
- Population growth is expected to remain elevated through 2017 while employment is expected to pick up in the latter half of 2016 and continue into 2017.

Figure 1



Source: CMHC, Statistics Canada – detailed net migration data, Kelowna CMA

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The forecasts and historical data included in this document reflect information available as of April 29, 2016.

- The anticipated number of new rental units coming onto the market in 2016 is not expected to meet demand which will result in a further decline in the vacancy rate to 0.5 per cent in 2016, followed by a slight increase to 1.0 per cent in 2017.

New home construction to increase in 2016 and stabilize in 2017

Increasing net-migration and low mortgage rates are expected to contribute to steady demand for new homes in the Kelowna Census Metropolitan Area (CMA) through 2016 and 2017. After a slight increase in inventories of unsold new homes in both the single-detached and multi-unit segments of the market in the latter half of 2015, inventories have slowly been drawn down in the first quarter of 2016. A low vacancy rate environment combined with migration-fueled population growth has led to an increase in multi-unit home construction of both new rentals and to a lesser extent condominiums. New construction of rental and condominium units will continue to add density to meet rising demand from new and existing residents, particularly within the City of Kelowna and the City of West Kelowna where the majority of rental and condominium construction is currently taking place.

Construction activity is expected to increase relative to 2015 with total housing starts forecast to be in the range of 1,420 and 1,580 units in 2016. Multi-unit home construction is expected to take the lead again in 2016 while the number of single-detached units getting underway will maintain a steady level of activity in line with the past two years. In 2017, the projected gradual increase in mortgage interest rates will begin to temper the effects of improving employment and population growth resulting in total housing starts forecast to be in the range of 1,290 to 1,510 units.

Within the multi-unit segment, migration of young professionals and seniors has been a key driver of housing demand (Figure 1). In particular, a renewed focus on construction of new rental apartments has been the trend so far in 2016 with the vast majority of building taking place within the City of Kelowna, particularly around the University of British Columbia Okanagan. There were a total of 343 rental apartment starts in the first quarter of 2016, representing 61 per cent of overall starts for the year. Additionally, there were 81 condominium tenure starts in the first quarter of 2016 of which were fairly evenly spread across various dwelling types including apartments, townhouses and duplexes. Inventories in the multi-unit segment have again trended lower in 2016 after a brief increase in the latter half of 2015 as more newly built homes are being sold by the time they are completed. In particular, the inventory of apartment condominiums has been drawn down significantly with zero unsold new apartment condominiums on the market as of March 2016. However, this may be a function of longer build times for apartment building structures as there were a total of 215 apartment condominium units under construction in March. Inventories for both semi-detached units and townhouses have also been moving downward in 2016 as demand for these unit types has also been increasing over the past two years and resale market activity has picked up. Demand for semi-detached units and townhomes has also picked up as the gap between the median price of single-detached homes in the new home market and the resale market has narrowed over the past two years from a new home premium of 32 per cent in 2014 to 26 per cent in 2015. As a result, home buyers may be seeking out more affordable alternatives to a single-detached house culminating in a higher level of housing starts in both the semi-detached and townhome segments in 2014 and 2015. With inventories remaining relatively low it is likely

Note to readers

In an effort to align itself with the various needs of those seeking information about the housing market, CMHC's Market Analysis Centre has undertaken a complete review of its products and services. As a part of this review, the CMHC's *Housing Market Outlook* publication will be undergoing a series of modifications. The general objective is to provide a range of possible outcomes that, in a context of economic and financial uncertainty, will better help users in their decision-making process.

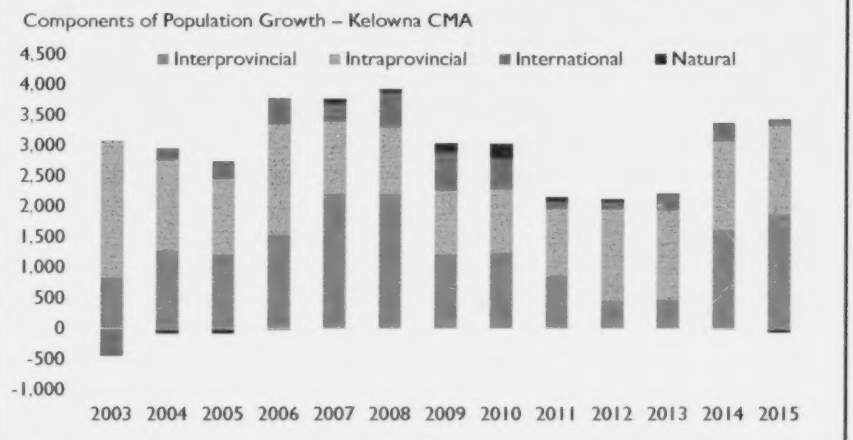
As a first step in this ongoing process, the present edition incorporates forecast ranges for housing variables as well as an expanded discussion on the risks to the forecast. A more detailed description of the forecast range methodology is provided at the end of the publication.

that this trend will continue over the next two years as population-driven demand impacts all segments of the new home market.

The Kelowna CMA is forecast to benefit from rising net migration and household formation providing the basis for new housing demand over the forecast horizon. Historically, migration to the Kelowna area has been a major source of population growth and housing demand as natural population growth has been fairly limited (Figure 2).[1] An estimated 1,712 new households will be formed in the Kelowna CMA in 2016, up from 1,624 in 2015. Household formations are projected to stabilize and average 1,575 new households over the next five years, well above the average over the past five years of 1,135 households per year which will support housing demand over the forecast horizon.[2]

Figure 2

Migration Drives Population Growth and Housing Demand



Source: CMHC, Statistics Canada – Net migration data, Kelowna CMA

Near record sales activity expected in the resale market in 2016-2017

Resale market activity in the Kelowna CMA remained strong in 2015 with a total of 5,378 transactions, an increase of 10 per cent relative to 2014. In the first three months of 2016, Kelowna area MLS® sales have increased 20 per cent compared with the same period in 2015, a pace of sales not seen since 2006. Supported by low mortgage interest rates and stronger population growth, MLS® sales activity increased across all segments of the market including single-detached, townhouse and apartment condominium units with overall market conditions remaining balanced. The strong gain in sales seen in the first quarter of 2016 is the continuation of upward trend that began in 2014 as labour markets improved contributing to population growth and a higher number of household formations.

In 2016, the overall resale market trend will be one of elevated activity as people moving to the region and existing residents contribute to increased competition in the market. The result is that the market will continue to see a level of sales above the 10-year average of 4,193 transactions over the next two years. It is expected that stronger population growth, low mortgage interest rates and favourable conditions in the local economy will support MLS® sales in the range of 5,720 and 6,080 transactions in 2016, followed by sales between 5,330 and 6,070 in 2017.

A higher level of sales activity combined with a declining trend in the number of active listings in the Kelowna area resale market moved the market from buyers into balanced conditions in mid-2014 and the market has remained there ever since. However, resale market activity is expected to be quite elevated over the next two years. During this time, the market is expected to remain in balance as new listings are expected to increase at a pace similar to sales. Typically, rising existing home prices will draw new listings as some homeowners look to an active market to make a change to their housing situation. However, listings may have a delayed reaction to stronger selling which may cause the sales-to-new-listings ratio, a barometer of resale market conditions, to deviate in the short-term into sellers market conditions before moving downward as strong market activity provides

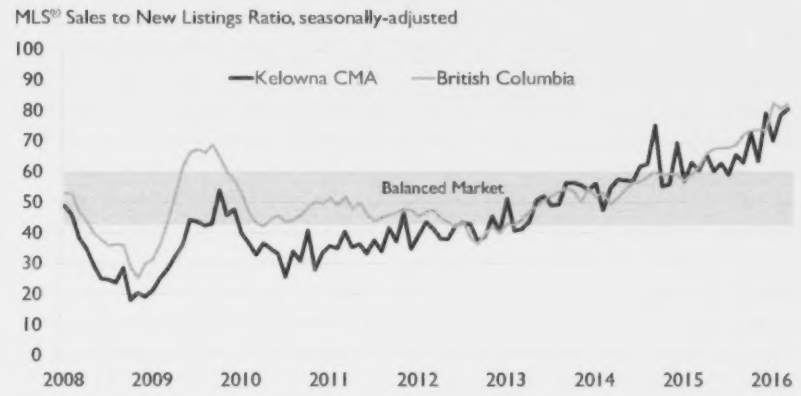
[1] Natural population growth is defined as the net of births and deaths in any given period. Due to a higher percentage of seniors in the population, natural population growth has never been a major source of overall population growth.

[2] BC Stats, PEOPLE 2015, released September 2015; CMHC Calculations

the opportunity for existing residents to change their housing situation (Figure 3). The first quarter of 2016 shows evidence of tighter resale market conditions as the strong activity in the first three months has resulted in further declines in the number of active while the number of new listings has not risen to match sales. It is expected that new listings will rise to meet the elevated level of sales activity in the Kelowna CMA before the end of 2016. However, if this scenario fails to materialize and sales remain strong then the result could be year-end MLS® sales closer to the upper portion of the forecast range with similar upward pressure on prices.

Figure 3

Resale Market Characterized by Higher Sales, Slower Pace of New Listings



Source: Okanagan Mainline Real Estate Board (OMREB) & CREA, CMHC calculations, March 2016 latest data point

Moderately tighter resale market conditions are expected to put additional upward pressure on the average MLS® home price in 2016. In addition to competition from builders of new homes, higher price levels are anticipated to encourage more new listings, keeping the market more firmly balanced to end off 2016 and resulting in more modest price gains in 2017. After reaching $435,261 in 2015, the average MLS® home price is forecast to be within the range of $446,500 to $453,500 in 2016. As sales stabilize and the supply of homes available for sale increases to meet demand, the average MLS® home price is expected to be within the range of $452,500 and $467,500 in 2017.

Downward pressure on vacancy rate continues in 2016

Rental vacancy rates are expected to remain low in 2016 and 2017. Increasing demand for rental accommodations in the Kelowna CMA is expected to spur an increasing supply of new units getting underway in 2016. However, the number of new rental units that will be completing in 2016 is not expected to keep pace with the migration-fueled population growth that the area is currently experiencing. This will lead to continued downward pressure on the vacancy rate while contributing to modest rent increases. The vacancy rate is forecast to move upward in 2017 as more units are completed and added to the rental stock.

The rental apartment vacancy rate is expected to move down from 0.7 per cent as of October 2015 to 0.5 per cent in 2016. In 2017, it is anticipated that the number of newly completed and available units will have increased by a sufficient amount to warrant a rise in the vacancy rate to 1.0 per cent. Competition from the secondary rental market (rental condominiums, secondary suites, carriage houses, etc.) is expected to keep rent increases for purpose-built rental apartments in line with or below the general rate of inflation. The average rent for a 2-bedroom rental apartment in the Kelowna CMA was $1,002 in 2015 and is forecast to reach $1,020 in 2016, followed by $1,040 in 2017.

Improving employment conditions based on expansion in the local economy and continued population growth will support demand for rental accommodations in the Kelowna CMA over the next two years. Population growth in the region is expected to add an additional 3,330 people to the Kelowna CMA in 2016 and another 3,439 will call the Central Okanagan home in 2017.[3] The cohorts that are predicted to grow the fastest include young professionals (aged 25-44 years) and seniors (aged 65 years and over) and will be forming new households in the

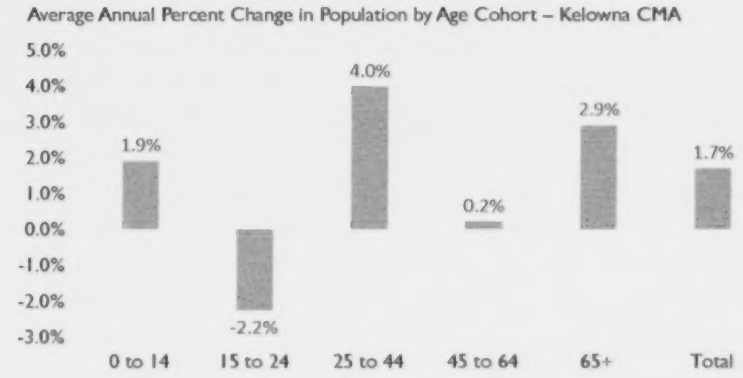
[3] BC Stats, P.E.O.P.L.E. 2015, released in September 2015; CMHC forecast based on BC Stats population estimates

Central Okanagan area (Figure 4). Some of these new residents will choose rental housing as historically individuals tend to rent before entering into homeownership in order to settle into an area and determine whether it fits their lifestyle and career goals. According to Statistics Canada, an estimated 3,426 new migrants moved to the Kelowna CMA in 2015 which is up from 3,362 in 2014.[4] This level of migration to the Kelowna CMA has not been seen since 2007.

The Kelowna area also plays a role as a post-secondary education centre in the interior of British Columbia. This sector is also a major contributor to rental demand, particularly for purpose-built rental apartments, as rents tend to be lower in this segment of the market relative to secondary rental market options. Students and recent graduates are a consistent source of rental demand as young people are likely to rent through their schooling and early working years before choosing homeownership as that is a decision that usually comes when individuals' careers are more established and the decision to remain in the area has been made. Additionally, the growing population of seniors in the Kelowna CMA is another source of rental demand as this cohort tends to lead longer, healthier lives and wish to maintain their independence.

Figure 4

Growth in Young Professionals and Seniors to Drive Rental Demand through 2020



Source: BC Stats – P.E.O.P.L.E. Population Projections

Economic outlook

The Kelowna area economy is expected to be supported by positive fundamentals, such as a relatively low Canadian dollar and low interest rates generating a recovery in employment levels and population growth which in turn will support activity in the housing market. With a growing population of young professionals and seniors, strong resale market activity and steady new construction it is expected that there will be a continued shift in focus in housing choices toward multi-unit options such as rental housing and condominium ownership.

A diversified economy based on agriculture, manufacturing, education, healthcare and tourism along with key growth industries such as the high technology industry will act as key job creators over the next two years. A growing population and increasing consumer spending driven by both the existing population and tourist activity will contribute to growing service sector employment. However, beginning in mid-2015, the labour market experienced a shock due to a dramatic and prolonged drop in oil prices which has affected some residents in the Kelowna area whose employment relied directly or indirectly on the oil and gas industry in northern British Columbia or Alberta. This is expected to be a temporary labour market adjustment as the economy adjusts and reaps the benefits of a lower Canadian dollar relative to the US dollar which is expected to fuel a rebound in employment. As a result, the number of people employed in the Kelowna CMA is expected to remain on par with 2015 levels as the labour market bounces back. In 2017, the number of people employed in the Kelowna CMA is expected to increase by approximately 2.2 per cent. The Central Okanagan area will continue to attract new migrants to the area as a result of the amenities that Kelowna offers as the largest centre in the Interior along with its attractive climate, educational and employment opportunities.

[4] Statistics Canada – Total Net Migration, includes net new residents from elsewhere in BC, other provinces in Canada, and international migrants. Note that this figure is still a preliminary estimate as net intraprovincial migration has not yet been updated for 2015 and is based on the estimate for 2014.

On the local economy level, a lower exchange rate relative to the US dollar will be a benefit to producers in the agricultural and manufacturing industries. The lower exchange rate environment will also be a benefit to many service producing industries such as tourism, accommodation and food services. This will translate into higher consumer spending and increased activity in retail and wholesale trade. Recent passenger volume statistics from the Kelowna International Airport show that all three months in the first quarter of 2016 were record breaking for inbound passengers coming to the area.[5]

Given these favourable local economic opportunities, the Kelowna area is also seeing an influx of new migrants which will help to fuel the need for other services such as healthcare and education, both of which Kelowna is well equipped to handle with its recent large investments in expanding healthcare services and its role as the regional hub for Interior Health. Currently, there are a number of major projects that are set to begin over the next two years including major infrastructure upgrades, a renewable energy project, and of course housing projects which will support jobs in construction and trades.[6] The Kelowna area also offers diverse and expanding educational opportunities available through the University of British Columbia Okanagan campus and Okanagan College to support the growing population with skills training to support local economic growth over the long-term.

Mortgage rates are expected to rise moderately from current levels in 2017

Mortgage rates are expected to stay near current levels until the end of 2016, supporting housing demand. Consistent with the view of Canadian economic forecasters, CMHC expects interest rates to gradually start rising from current levels in the first half of 2017. This expected profile for mortgage rates is in line with the Bank of Canada's view of the economy returning to its full capacity by the end of 2017, according to its April 2016 Monetary Policy Report.

According to CMHC's base case scenario, the five-year mortgage rate is expected to be within the 4.4 to 5.0 per cent range in 2016 and within the 4.7 to 5.3 per cent range in 2017.

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[5] Kelowna International Airport, Business at YLW – Facts & Statistics

[6] BC Stats – Major Projects Inventory, Dec. 2015 Issue

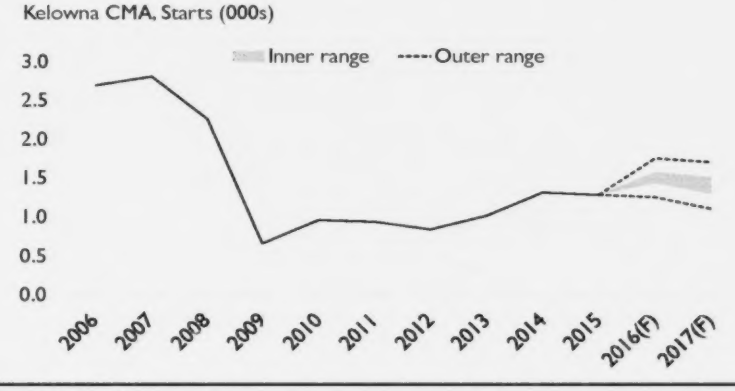
Wide Range Forecasts

Total Housing Starts

A very active resale market, a more rapid rate of population growth leading to greater household formation, and a stronger than expected labour market represent upside risks to the forecast for total housing starts as these factors could put pressure on builders to bring new supply to the market. The result would be total housing starts pushing closer to the upper band of the forecast ranges over the next two years. This scenario is particularly relevant when it comes to the outlook for multi-unit starts over the next two years as inventories of completed and unsold units have declined again in early 2016 after a brief period of upward movement in the latter half of 2015. In particular, the apartment condominium segment of the market poses more of an upside risk to the starts outlook as there were no available new apartment condominiums on the market as of March 2016. However, given the large number of apartment condominiums that were built between 2005 and 2009, the available supply of listings in the resale market may be sufficiently keeping up with demand for now as a price recovery in that segment may be spurring owners to list. As of March 2016, approximately 50 per cent of active listings of apartment condominiums were built between 2005 and 2009. Depending on the strength of demand for these units it could translate into a higher level of apartment condominium starts resulting in total housing starts closer to the upper band of the forecast range. Alternatively, a scenario in which the labour force does not recover as quickly and population growth is slower than expected could result in a moderation in housing demand and total housing starts falling closer to the lower band of the forecast ranges in 2016 and 2017 (Figure 5).

Figure 5

New Construction Set to Increase in 2016 and Stabilize in 2017



Source: CMHC, (F): Forecast

MLS® Sales

Interest rates that remain lower for an extended period time, combined with stronger population growth and stronger than expected employment gains represent risks to the outlook for MLS® sales which could result in year-end sales that move closer to the upper band of the forecast ranges for 2016 and 2017. Additionally, according to CMHC's Housing Market Assessment framework, there is currently strong evidence of overvaluation in the Vancouver housing market. As migration from the Greater Vancouver area has increased over the past few years this remains a risk to the forecast for MLS® sales as more individuals may be incentivized to realize the equity in their Lower Mainland home and purchase in the Okanagan. Alternatively, a recovery in the prices of oil and gas, an appreciating exchange rate relative to the US, and labour force skills mismatch and weaker job growth represent risks to the outlook which could result in resale market transactions that fall closer to the lower band of the forecast ranges in the next two years (Figure 6).

Average MLS® Prices

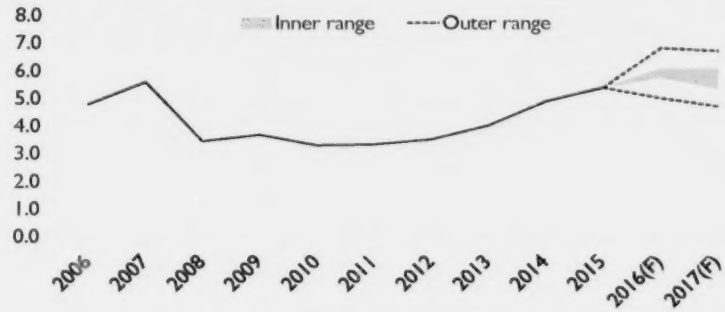
Similar to the risks to the outlook for MLS® sales, interest rates that remain lower for longer, stronger population growth and a stronger than expected labour market remain risks to the price outlook in terms of pushing year-end average MLS® prices closer to the upper band of the forecast ranges for both 2016 and 2017. Additionally, stronger migration from the Greater Vancouver area also poses a risk to the outlook for prices as individuals choosing to sell property and move to the Kelowna

Wide Range Forecasts

area may bring additional purchasing power to the market, which may result in more sales at the higher end of the price range. Alternatively, labour market weakness and slower population growth than expected represent downside risks to the outlook which could result in year-end average MLS® prices that fall closer to the lower band of the forecast ranges over the next two years (Figure 7).

Figure 6

Resale Market Activity to Remain Strong in 2016 and 2017



Source: OMREB, (F): Forecast

Figure 7

Strong Resale Market to Place Upward Pressure on Prices

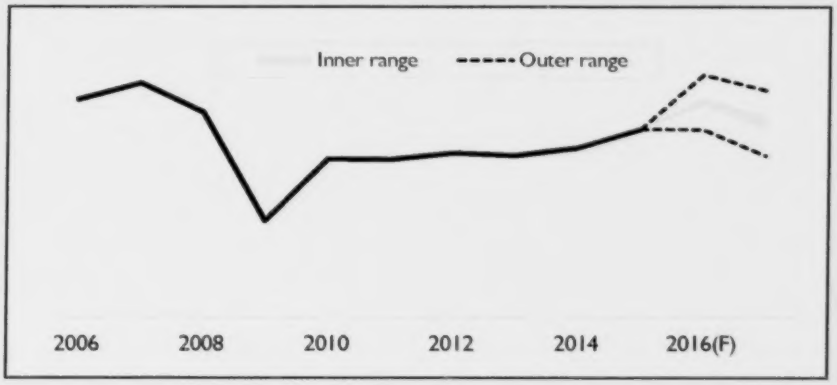
Source: OMREB, (F): Forecast

Methodology for forecast ranges

The present edition of *Housing Market Outlook* incorporates forecast ranges for housing variables. Despite this change, all analyses and forecasts of market conditions continue to be conducted using the full range of quantitative and qualitative tools currently available. Two sets of ranges are presented in the publication:

- An inner range, which provides more precise guidance to readers on the outlook while recognizing the small random components of the relationship between the housing market and its drivers. This inner range is based on the coefficient of variation* of historical data and on past forecast accuracy. This range provides precision and direction for forecasts of housing variables, given a specific set of assumptions for the market conditions and underlying economic fundamentals.
- An outer range, which reflects potential risks to the forecast due to, for example, the impact of economic shocks. The outer range is based on a broader coefficient of variation of historical data and on past forecast accuracy. This range includes some low-probability events that could have a significant impact on the forecast.

Downward (or upward) adjustments to the ranges may be applied based on local market intelligence if there are more sources of risks (upside or downside) for that specific market.



* The coefficient of variation in this case is the standard deviation divided by the mean of that series. A higher coefficient of variation would produce wider ranges due to the higher volatility of the data, while a lower coefficient of variation would produce tighter ranges.

Trends at a glance

Key Factors and their Effects on the Housing Sector	
Mortgage Rates	Mortgage rates are expected to stay near current levels until the end of 2016, supporting housing demand. Interest rates are expected to gradually start rising from current levels in the first half of 2017, becoming less accommodative for housing demand.
Population	The population of the Kelowna area will increase steadily over the forecast horizon, supporting housing demand. Continued strength in interprovincial and intraprovincial migration is expected over the forecast horizon.
Employment	Total employment in the first quarter of 2016 declined by 2.1 per cent relative to the first quarter 2015 employment estimate as the labour force adjusts to the impact of prolonged low oil prices on local workers. However, employment levels are anticipated to bounce back based on local demand for labour firming up in the remainder of 2016. Employment levels are expected to post a gain of 2.2 per cent in 2017.
Resale Market	Total residential MLS® sales have posted strong gains so far in 2016, which has not been equally met by an increase in new listings. Following an active 2015, resale transactions are expected to post a record gain in 2016, followed by a slight moderation in sales in 2017.
Supply of New Completed and Unabsorbed Units	The inventory of completed and unabsorbed units remains low in the multiple-family segment, while single-detached inventories have maintained a steady level. This will support steady new home construction activity of single-detached and increased development of multiple-unit home types, particularly in the apartment condominium segment where inventories hit an all-time low of zero available new units in March 2016.
Vacancy Rates[7]	Vacancy rates for the Kelowna area are forecast to decline in 2016 as completions of new rental units is not anticipated to keep pace with population growth and rental demand. As more new rental units complete and add to the rental stock, it is expected that this will begin to lift vacancy rates in 2017.

[7] The apartment vacancy rate is for purpose-built rental apartments.

Forecast Summary
Kelowna CMA
Spring 2016

	2013	2014	2015	2016(F)		2017(F)	
				(L)	(H)	(L)	(H)
New Home Market							
Starts:							
Single-Detached	579	695	628	610	690	550	700
Multiples	434	616	652	770	930	680	870
Starts - Total	1,013	1,311	1,280	1,420	1,580	1,290	1,510
Resale Market							
MLS® Sales	4,016	4,886	5,378	5,720	6,080	5,330	6,070
MLS® Average Price($)	398,028	425,996	435,261	446,500	453,500	452,500	467,500
Economic Overview							
Mortgage Rate(5 year)(%)	5.24	4.88	4.67	4.40	5.00	4.70	5.30

	2013	2014	2015	2016(F)	2017(F)
Rental Market					
October Vacancy Rate (%)	1.8	1.0	0.7	0.5	1.0
Two-bedroom Average Rent (October)($)	970	980	1,002	1,020	1,040
One-bedroom Average Rent (October)($)	778	788	799	820	830
Economic Overview					
Population	187,840	191,190	197,274	200,640	204,110
Annual Employment Level	90,300	90,300	92,000	92,000	94,000

Multiple Listing Service® (MLS®) is a registered trademark of the Canadian Real Estate Association (CREA).

Rental Market: Privately initiated rental apartment structures of three units and over.

The forecasts (F) included in this document are based on information available as of 29th April 2016. (L)=Low end of Range. (H)=High end of range.

The low end (L) and the high end (H) of forecast ranges for residential housing starts for singles and multiples jointly may not add up to the total. This is due to rounding and volatility of the data.

Source: CMHC (Starts and Completions Survey and Market Absorption Survey), Statistics Canada, CREA(MLS®), CMHC Forecast (2016-2017).

DEFINITIONS AND METHODOLOGY

New Home Market

Historical home starts numbers are collected through CMHC's monthly Starts and Completions Survey. Building permits are used to determine construction sites and visits confirm construction stages. A start is defined as the beginning of construction on a building, usually when the concrete has been poured for the whole of the structure's footing, or an equivalent stage where a basement will not be part of the structure.

Single-Detached Start:
The start of a building containing only one dwelling unit, which is completely separated on all sides from any other dwelling or structure.

Semi-Detached Start:
The start of each of the dwellings in a building containing two dwellings located side-by-side, adjoining no other structure and separated by a common or party wall extending from ground to roof.

Row (or Townhouse) Start:
Refers to the commencement of construction on a dwelling unit in a row of three or more attached dwellings separated by a common or party wall extending from ground to roof.

Apartment and other Starts:
Refers to the commencement of construction on all dwellings other than those described above, including structures commonly known as stacked townhouses, duplexes, triplexes, double duplexes and row duplexes.

Average and Median Single Detached Home Prices:
Are estimated using CMHC's Market Absorption Survey, which collects home prices at absorption and measures the rate at which units are sold or rented after they are completed. Dwellings are enumerated each month after a structure is completed until full absorption occurs. The term "absorbed" means that a housing unit is no longer on the market as it has been sold or rented.

New Home Price Indexes:
Changes in the New Home Price Indexes are estimated using annual averages of Statistics Canada's monthly values for New Housing Price Indexes (NHPI).

Resale Market

Historical resale market data in the summary tables of the Housing Market Outlook Reports refers to residential transactions through the Multiple Listings Services (MLS®) as reported by The Canadian Real Estate Association (CREA). In Quebec, this data is obtained by the Centris® listing system via the Quebec Federation of Real Estate Boards.

MLS® (Centris® in the province of Quebec) Sales:
Refers to the total number of sales made through the Multiple Listings Services in a particular year.

MLS® (Centris® in the province of Quebec) Average Price:
Refers to the average annual price of residential transactions through the Multiple Listings Services.

Rental Market

Rental Market vacancy rates and two bedroom rents information is from Canada Mortgage and Housing Corporation's (CMHC's) October Rental Market Survey (RMS). Conducted on a sample basis in all urban areas with populations of 10,000 and more, the RMS targets privately initiated structures with at least three rental units, which. have been on the market for at least three months. The survey obtains information from owners, managers, or building superintendents through a combination of telephone interviews and site visits.

Vacancy Rate:
The vacancy rate refers to the average vacancy rate of all apartment bedroom types. A unit is considered vacant if, at the time of the survey, it is physically unoccupied and available for immediate rental.

Two Bedroom Rent:
The rent refers to the average of the actual amount tenants pay for two bedroom apartment units. No adjustments are made for the inclusion or exclusion of amenities and services such as heat, hydro, parking, and hot water.

Economic Overview

Labour Force variables include the Annual Employment Level, Employment Growth, Unemployment Rate. Source: Statistics Canada's Labour Force Survey.

Net Migration:
Sum of net interprovincial (between provinces), net intra-provincial (within provinces), net international (immigration less emigration), returning Canadians and temporary (non-permanent) residents as provided to the CANSIM database by Statistics Canada's Demography Division. Sources of inter-provincial and intra-provincial migration data include a comparison of addresses from individual income tax returns for two consecutive years from Canada Revenue Agency (CRA) taxation records. The migration estimates are modelled, with the tax file results weighted to represent the whole population.

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Canada Mortgage and Housing Corporation (CMHC) has been Canada's national housing agency for almost 70 years.

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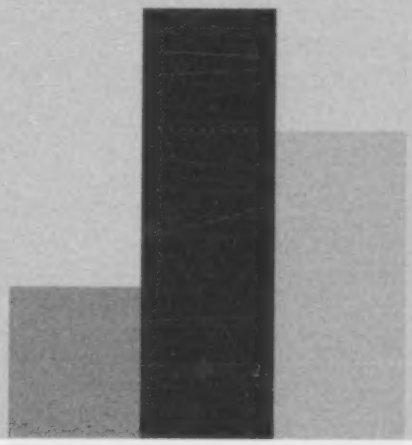

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